

Rep. Liz Cheney (WY-AL)

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I thank the Chairman for holding a hearing on the three bills before us today. These are important bills that promote federal mineral development by returning power to the states and requiring the federal government to establish a cohesive national energy strategy. Of particular importance to my state is a bill I introduced, H.R. 2661, the State Mineral Revenue Protection Act, which returns funds generated in our state and, originally promised to our state, back to the people of Wyoming. Under the Mineral Leasing Act of 1920, states are statutorily obligated to receive a 50 percent share of the revenues resulting from the leasing and production of onshore mineral resources on federal land within their borders. However, in 2007, the federal government began skimming 2% of states' mineral shares for administrative fees despite no substantial changes to the administrative process and no report justifying this amount. The state of Wyoming has a very clear policy in place for how royalty funds are to be spent. Under this policy, annual revenues are directed to our state's education budget. Deducting 2% of mineral royalties is not just unfair, it is directly denying our schools millions of dollars that they need. It is time we eliminate the federal middle-man that is costing Wyoming both time and money. H.R. 2661 returns funds to states that are rightfully theirs by eliminating the arbitrary administrative fee and allowing states to collect, process, and distribute mineral royalties.